



Recommendation for Action

File #: 21-1527, **Agenda Item #:** 26.

4/22/2021

Posting Language

Authorize an amendment to an existing contract with Pike Enterprises Inc., to provide continued transmission and distribution electrical services, for an increase in the amount of \$4,000,000, for a revised contract amount not to exceed \$93,000,000.

(Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9A Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for the contract, subcontractor goals were applied. Current participation to date is 1.96% MBE and 0.11% WBE participation).

Lead Department

Purchasing Office.

Client Department(s)

Austin Energy.

Fiscal Note

Funding in the amount of \$4,000,000 is available in the Fiscal Year 2020-2021 Capital Budget of Austin Energy.

Purchasing Language:

Contract Amendment.

Prior Council Action:

December 17, 2015 - Council approved original contract, item 72, on a 10-0 vote with Council Member Zimmerman abstained.

May 7, 2020 - Council approved an amendment, item 18, on an 11-0 vote.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>> or to Julia Finn, at 512-322-6060 or Julia.Finn@austintexas.gov <<mailto:Julia.Finn@austintexas.gov>>.

Council Committee, Boards and Commission Action:

April 12, 2021 - To be reviewed by the Electric Utility Commission.

Additional Backup Information:

The proposed amendment will provide Austin Energy additional funding to complete planned and emergency transmission and distribution projects.

The contract is for transmission and distribution electrical services for Austin Energy. The contractor provides

Austin Energy with ready access to contract labor and equipment for projects such as service extensions, removal and replacement of utility poles, residential distribution underground cable upgrades, storm-related outage restoration, and distribution line relocations.

The original funding request was based on Austin Energy's forecast of transmission and distribution projects. Projects have increased over the course of this contract, and the requested authority will allow Austin Energy to maintain services for the duration of this contract.

Contract Detail:

| <u>Contract Term</u> | <u>Length of Term</u> | <u>Current Contract Authorization</u> | <u>Requested Additional Authorization</u> | <u>Revised Total Authorization</u> |
|-----------------------------|------------------------------|--|--|---|
| Initial Term | 2 yrs. | \$30,000,000 | | \$30,000,000 |
| Extension Option 1 | 1 yr. | \$15,000,000 | | \$15,000,000 |
| Extension Option 2 | 1 yr. | \$15,000,000 | | \$15,000,000 |
| Extension Option 3 | 1 yr. | \$15,000,000 | | \$15,000,000 |
| Contract Amendment | | \$14,000,000 | | \$14,000,000 |
| Proposed Amendment | | | \$4,000,000 | \$ 4,000,000 |
| TOTALS | 5 yrs. | \$89,000,000 | \$4,000,000 | \$93,000,000 |

Note: Contract Authorization amounts are based on the City's estimated annual usage.

Strategic Outcome(s):

Safety.